

June 15, 2009

CLERK, U.S. BANKRUPTCY COURT  
EASTERN DISTRICT OF CALIFORNIA

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8 **UNITED STATES BANKRUPTCY COURT**

9 **EASTERN DISTRICT OF CALIFORNIA, FRESNO DIVISION**

10 In re:

11 V.O. & CO, INC.,  
 12 Debtor.

Case No. 08-17239-A-11

Chapter 11

DC No. KDG-16

Date: May 27, 2009

Time: 2:00 p.m.

Place: 1300 18th Street, Suite A  
 Bakersfield, California

Judge: Honorable Whitney Rimel

16 **FINDINGS OF FACT IN SUPPORT OF CONFIRMATION OF  
 17 FIRST AMENDED PLAN OF REORGANIZATION (MODIFIED)  
 FILED BY DEBTOR**

18 I. **Introduction<sup>1</sup>**

19 Confirmation of the *First Amended Plan of Reorganization* filed by V.O. & CO., INC.  
 20 (“Debtor”) on April 8, 2009, as modified by the *First Modification to First Amended Plan of*  
 21 *Reorganization* filed on May 4, 2009, and the *Second Modification to First Amended Plan of*  
 22 *Reorganization* filed on May 20, 2009 (collectively referred to as the “First Amended Plan”),  
 23 came on for hearing on May 27, 2009, at 2:00 p.m. after notice to Debtor, the United States  
 24 Trustee, all creditors and parties requesting special notice. Appearances were as set forth on  
 25 the record. The Court reviewed the First Amended Plan, the Worksheets for Determining  
 26 Acceptance of First Amended Plan of Reorganization submitted by Debtor, the *Memorandum*

28 <sup>1</sup> The Capitalized terms herein shall have the same meaning as set forth in the First Amended Plan of

ation (Modified) filed on April 8, 2009.

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1       *of Points and Authorities in Support of Confirmation of First Amended Plan of Reorganization*  
 2       *Filed by Debtor as Modified* (“the Memorandum of Points and Authorities”), the *Declaration*  
 3       *of Frank Van Ostrand in Support of Confirmation of First Amended Plan of Reorganization*  
 4       *Filed by Debtor* (“the Declaration of Frank Van Ostrand”), the Ballots on First Amended Plan  
 5       of Reorganization filed by Debtor (the “Ballots”), and considered the comments made on the  
 6       record by counsel for Debtor and other counsel.

7              After determining that copies of the First Amended Plan and the First Amended  
 8 Disclosure Statement approved by the Court had been served on Debtor, the United States  
 9 Trustee, all creditors, parties in interest, and parties requesting special notice, the Court makes  
 10 the following findings as more fully described on the record at the hearing held on May 27,  
 11 2009:

12       **II. Findings of Fact and Conclusions of Law**

13       1.       *Debtor's First Amended Plan of Reorganization Under Chapter 11 of the*  
 14 *Bankruptcy Code* filed on April 8, 2009 as modified by the *First Modification to First*  
 15 *Amended Plan of Reorganization* filed on May 4, 2009, and the *Second Modification to First*  
 16 *Amended Plan of Reorganization* filed on May 20, 2009, complies with the applicable  
 17 provisions of Chapter 11 of the Bankruptcy Code and meets the requirements of 11 U.S.C. §  
 18 1129 as more fully described below;

19       2.       The First Amended Plan has been proposed in good faith and not by any means  
 20 forbidden by law;

21       3.       Any payment made or promised by Debtor or the estate for the services or for  
 22 costs and expenses incurred in connection with the case, or in connection with the First  
 23 Amended Plan and incident to the case, have been disclosed to the Court;

24       4.       Each holder of a claim or interest of an impaired class that has accepted the First  
 25 Amended Plan has, or will receive or retain under the First Amended Plan as modified,  
 26 property of a value, as of the Effective date of the Plan, that is not less than the amount that  
 27 such holder would receive or retain if the estate was liquidated under Chapter 7 on account of  
 28 such claim;

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1       5.     The First Amended Plan has been accepted by at least one class of claims  
 2 impaired under the First Amended Plan excluding insiders of Debtor;

3       6.     Confirmation of the First Amended Plan is not likely to be followed by the  
 4 liquidation or the need for further financial reorganization of Debtor except as proposed in the  
 5 First Amended Plan; and

6       7.     All required Court and United States Trustee fees will be paid before the  
 7 Effective Date of the Plan.

8       8.     The First Amended Plan is fair and equitable as it relates to treatment of the  
 9 following class of claims that are impaired under the First Amended Plan but did not return  
 10 Ballots or accept the Plan as required by 11 U.S.C. § 1129(a)(8): The **Class Two** claims of  
 11 State Board of Equalization.

12       9.     Notice of the hearing on confirmation of the First Amended Plan was adequate  
 13 and, based upon the foregoing, good cause appears for the entry of an Order confirming the  
 14 Plan.

15       10.    The Court will issue a separate Order confirming the First Amended Plan and  
 16 setting specified deadlines as set forth in the Plan.

17 **Respectfully Submitted By:**

18           KLEIN, DeNATALE, GOLDNER,  
 19 COOPER, ROSENLEIB & KIMBALL, LLP

20 By /s/ T. Scott Belden

21 T. SCOTT BELDEN  
 22 LISA HOLDER,  
 Attorneys for Debtor, V.O.& CO, INC.

23  
 24  
 25 Dated:

Jun 15, 2009



Whistler Rineh  
United States Bankruptcy Judge

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